

## Summary

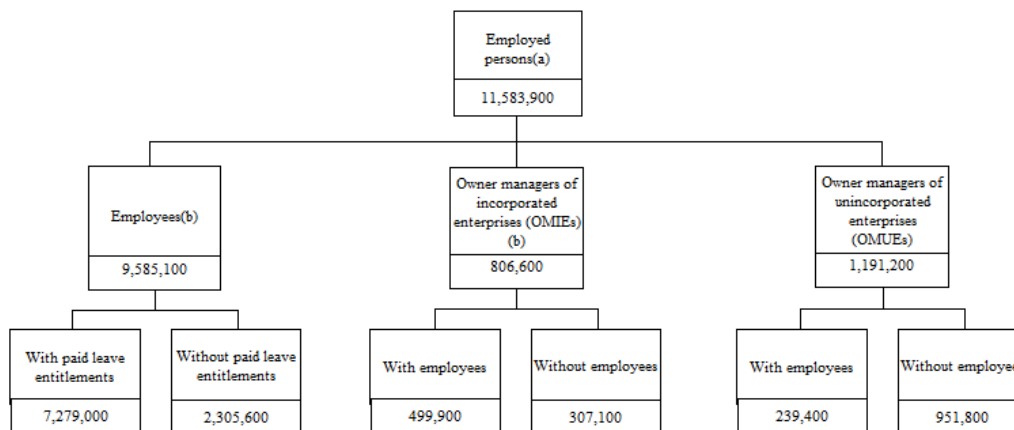
### Key findings

#### INTRODUCTION

The Characteristics of Employment Survey presents information on all employed persons according to their status of employment. The framework below classifies jobholders to a status of employment on the basis of their main job that is, the job in which they usually worked the most hours. The status of employment category groups are:

- Employees;
- Owner managers of incorporated enterprises (OMIEs); and
- Owner managers of unincorporated enterprises (OMUEs).

Employees are then further classified according to whether they had paid leave entitlements, that is whether they had paid sick and/or paid holiday leave, while OMIEs and OMUEs are further classified according to whether they had employees.



(a) Excludes persons who were contributing family workers in their main job.

(b) Prior to 2014, 'Employees' comprised both Employees and OMIEs, in the Labour Force and Employee Earnings, Benefits and Trade Union Membership (EEBTUM) releases

Information is also presented on independent contractors who may be in the Employees, OMIE or OMUE groups. They are identified through a series of questions about their work and remuneration arrangements.

To minimise the risk of identifying individuals in aggregate statistics, perturbation is used in this release to randomly adjust estimates. Perturbation involves small random adjustment of the statistics and is considered the most satisfactory technique for avoiding the release of identifiable. These adjustments have a negligible impact on the underlying pattern of the statistics. After perturbation, a published estimate will be consistent across all tables. However, adding up estimates to derive a total will not necessarily give the same result as published totals.

#### OVERVIEW

##### Employed Persons

- In August 2014 there were 11.6 million employed persons aged 15 years and over, of which 54% were males.
- An estimated 7.9 million (68%) of the employed persons worked full-time in their main job. (Data Cube 1)
- Almost half (46%) of all employed persons usually worked 35–44 hours per week. Males comprised 60% of these persons. (Data Cube 3)

##### Trade Union Members in their Main Job

- Trade union membership of employees and owner managers of incorporated enterprises (OMIEs) has steadily declined over recent years, with 2014 having the lowest proportion in the history of the series (15%). (Data Cube 16)
- In August 2014, 14% of all employed persons (1.6 million) were trade union members in connection with their main job. (Data Cube 10)
- The Education and training industry Division had the highest proportion of persons who were trade union members (34%). (Data Cube 11)

##### Employees and Owner Managers of Incorporated Enterprises (OMIEs)

- In August 2014, the mean weekly earnings of employees and OMIEs in all jobs was \$1,189 compared to \$1,156 in 2013.
- For males the mean weekly earnings in all jobs was \$1,410 and for females it was \$948. (Data Cube 17)

- The median weekly earnings in all jobs in 2014 was \$1,000 (\$1,185 for males and \$838 for females). (Data Cube 18)

### Employees in Main Job

- Of the 9.6 million persons who were employees in their main job, 51% were males.
- 7.3 million employees had paid leave entitlements, of which 53% were males.
- The age group with the highest proportion of male employees with paid leave entitlements was 35–54 years (87%). For female employees the age groups with the highest proportion with paid leave entitlements were 25–34 years and 45–59 years (both 81%). (Data Cube 3)
- An estimated 6.5 million (68%) employees worked full-time in their main job. (Data Cube 2)

### Independent Contractors

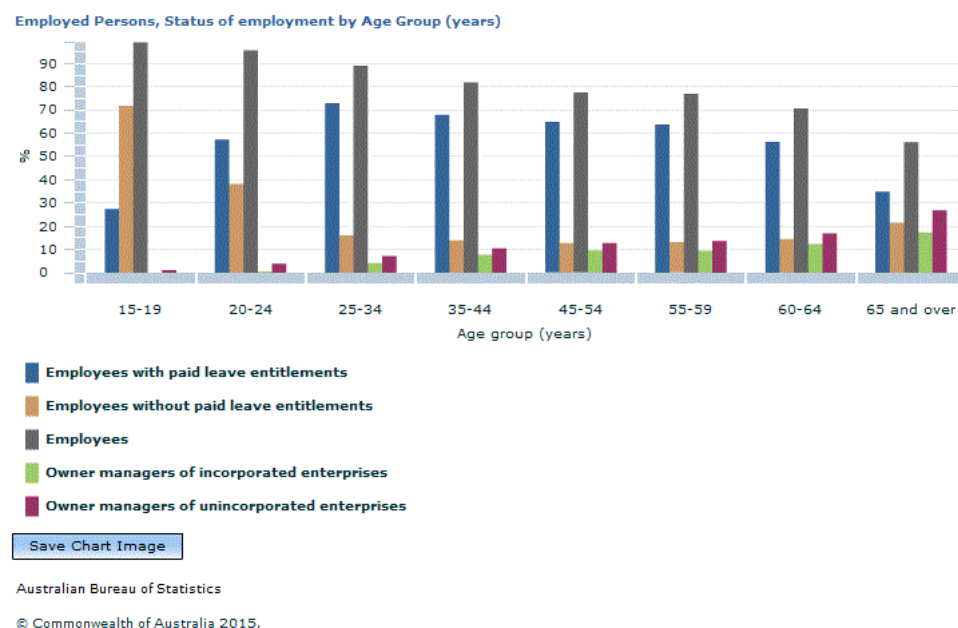
- There were approximately 1 million persons who were independent contractors in their main job in August 2014.
- Independent contractors made up 9% of all employed persons, and almost three quarters (74%) of all independent contractors were males.
- More than half (54%) of independent contractors were aged 45 years and over. (Data Cube 35)

### Persons Who Found Their Job Through a Labour Hire Firm/Employment Agency

- In August 2014, there were 599,800 persons (5% of all employed persons) who had found their job through a labour hire firm/employment agency, of which 59% were males.
- Of those persons who had found their main job through a labour hire firm/employment agency, 28% were in the 35–44 year age group and 27% were in the 25–34 year age group. (Data Cube 40)

## EMPLOYED PERSONS

Younger persons were more likely to be employees rather than OMIEs or owner managers of unincorporated enterprises (OMUEs). As age increases, generally the proportion of employees decreases, while the proportion of OMIEs and OMUEs increase. However, being an employee was the most common form of employment for all employed persons for all age ranges.



**Source(s):** Employed Persons, Status of employment by Age Group (years)-Employed Persons

- 97% of employed persons aged 15–24 were employees, 1% were OMIEs and 3% were OMUEs;
- 80% of employed persons aged 35–54 were employees, 9% were OMIEs and 12% were OMUEs;
- 56% of employed persons aged 65 and over were employees, 17% were OMIEs and 27% were OMUEs; and
- almost half of employed males (49%) aged 65 years and over were either OMIEs or OMUEs. (Data Cube 3)

The industry Division with the most employed persons was Health care and social assistance (1.4 million or 12%) followed by Retail trade (1.3 million or 11%). Approximately one in five (21%) employed females worked in the Health care and social assistance industry Division. In contrast, the industry Division with the most employed males was Construction (923,100 or 15% of males). (Data Cube 3)

The industry Division Health care and social assistance contained the highest proportion of females (78%) followed by the Education and training industry Division (69%). The industry Division with the highest proportion of males was Construction (89%) followed by the Mining industry Division (86%). (Data Cube 3)

Employed males were more likely to be in the occupation group Technicians and trades workers (24%) followed by Professionals (20%). In contrast, employed females were more likely to be in the occupation group Professionals (26%) and Clerical and administrative workers (23%). (Data Cube 3)

The occupation group with the highest proportion of males was Machinery operators and drivers (91%) followed by Technicians and trades workers (86%). In contrast, the occupation group with the highest proportion of females was Clerical and administrative workers (76%) followed by Community and personal service workers (68%). (Data Cube 3)

Other characteristics of employed persons include:

- 74% of full-time workers' earnings or income did not vary from one period to the next and 71% usually worked the same number of hours each week;
- 55% of part-time workers' earnings or income did not vary and 68% usually worked the same number of hours each week; (Data Cube 4)
- 87% of all employed persons worked in the private sector of whom 56% were male;
- 19% of all employed persons had been with their current employer/business for less than 1 year, 41% had been with their current employer/business for 1–5 years and 11% had been with their current employer/business for 20 years or more; and
- 10% of all employed persons did not expect to be with their current employer/business in 12 months time. Of these, 47% reported that they were Changing jobs/seeking other employment, 15% reported Seasonal job/temporary job/fixed-term contract/casual work, while 10% reported that they would be retiring. (Data Cube 2)

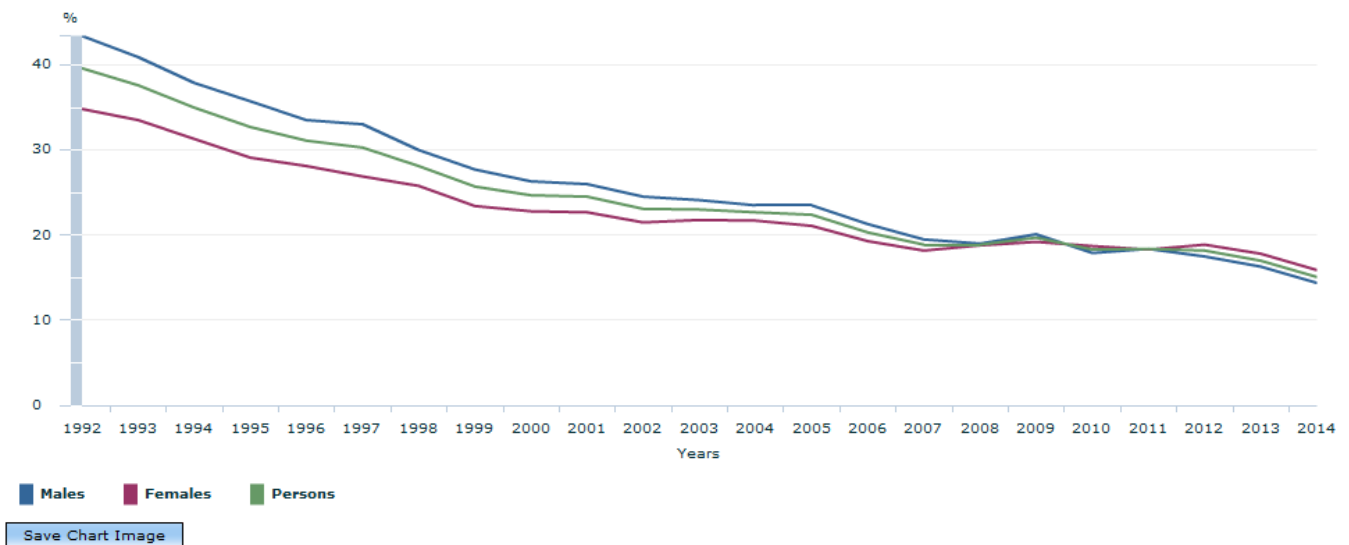
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## TRADE UNION MEMBERSHIP IN THEIR MAIN JOB<sup>1</sup>

### Employees and OMIEs in main job

Trade union membership for employees and OMIEs has generally declined since 1992. From August 1992 to August 2014, the proportion of those who were trade union members in their main job has fallen from 40% to 15% in August 2014 (43% to 14% for males and 35% to 16% for females). (Data Cube 16)

Trade Union Membership in main job, Employees & OMIEs in main job by Sex



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**Source(s):** Trade Union Membership in main job, Employees and OMIEs in main job by Sex-TUM employees in main job by sex

In August 2014, of employees and OMIEs in their main job;

- There were 1.6 million persons who were trade union members in their main job;
- 17% of full-time workers and 12% of part-time workers were trade union members in their main job; and
- Tasmania had the highest proportion (24%) of employed persons who were trade union members in connection with their main job, while Western Australia had the lowest proportion (13%). (Data Cube 16)

### Employed persons in main job

Persons employed in the Education and training industry Division had the highest proportion of trade union membership in their main job (34%) followed by Public administration and safety and Electricity, gas, water and waste services industry Divisions (both 31%). The industry Divisions with the lowest proportion of trade union membership in their main job were Agriculture, forestry and fishing, and Accommodation and food services (both 2%). (Data Cube 11)

The occupation groups Professionals and Machinery operators and drivers had the highest proportion of trade union members in their main job (both 20%). (Data Cube 11)

There were 1.7 million employed persons who were currently a trade union member but not necessarily in connection to their main job. Of these, 67% had been a trade union member for five years or more. Only 11% had been a trade union member for less than one year. There were 1.5 million employed persons who were not currently members of a trade union but had been one in the past. 8.4 million employed persons (72%) had never been a trade union member. (Data Cube 8)

Other characteristics of the 1.6 million employed persons who were trade union members in their main job include:

- 51% were males;
- 91% had paid leave entitlements;
- 39% of public sector workers were members of a trade union in their main job, compared to only 10% of private sector workers; (Data Cube 11)
- The mean weekly earnings in main job for employed persons who were a trade union member in their main job was \$1,295

- compared to \$1,162 for employed persons who were not trade union members;
- The median weekly earnings in main job for employed persons who were a trade union member in their main job was \$1,200 compared to \$960 for employed persons who were not trade union members; (Data Cube 12)
- 94% of 15–19 year olds have never been a trade union member; and
- 23% of employed persons aged 55–59 years are currently a trade union member and of those 85% have been for over five years. (Data Cube 15)

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## EMPLOYEES AND OWNER MANAGERS OF INCORPORATED ENTERPRISES (OMIEs) IN MAIN JOB

### Mean weekly earnings in all jobs

Mean weekly earnings for full-time workers in all jobs was \$1,448 (\$1,592 for males and \$1,264 for females). This increased 55% from August 2004 when earnings were \$932. By comparison mean weekly earnings for part-time workers was \$545 (\$491 for males and \$567 for females). This increased 57% from August 2004 when earnings were \$348. (Data Cube 17)

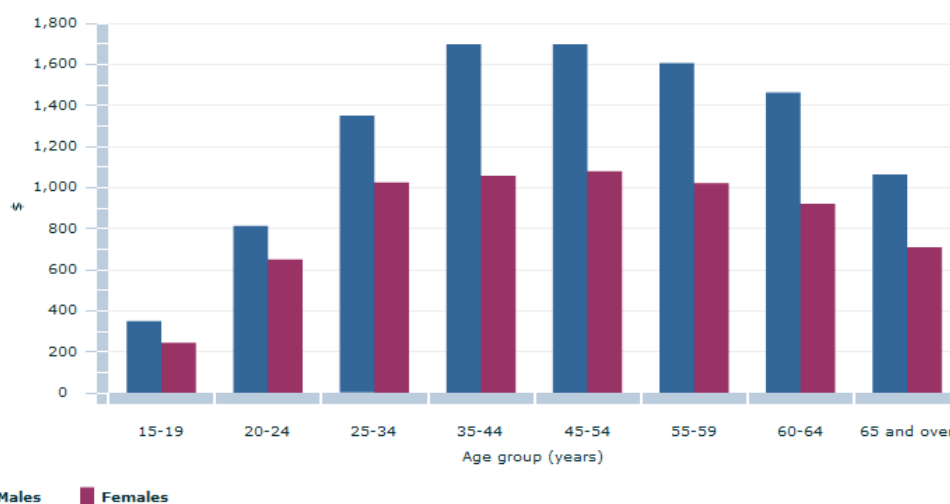
Mean weekly earnings in all jobs for those who were employees and OMIEs in their main job increased 55% during the 10 years to August 2014, from \$766 in August 2004 to \$1,189 in August 2014. (Data Cube 17) Changes in mean weekly earnings are affected not only by changes in the rate of pay and inflation, but also by any changes in the composition of the Australian workforce, including:

- diversity of employment arrangements;
- number of males and females in the workforce;
- number of hours worked;
- the extent of part-time and casual employment; and
- mix of industries and occupations.

### Mean weekly earnings in main job

Mean weekly earnings for full-time workers in all jobs was \$1,469 (\$1,592 for males and \$1,264 for females). This increased 58% from August 2004 when earnings were \$932. By comparison mean weekly earnings for part-time workers was \$545 (\$491 for males and \$567 for females). This increased 57% from August 2004 when earnings were \$348. (Data Cube 17)

Mean weekly earnings in main job, By age & sex



Save Chart Image

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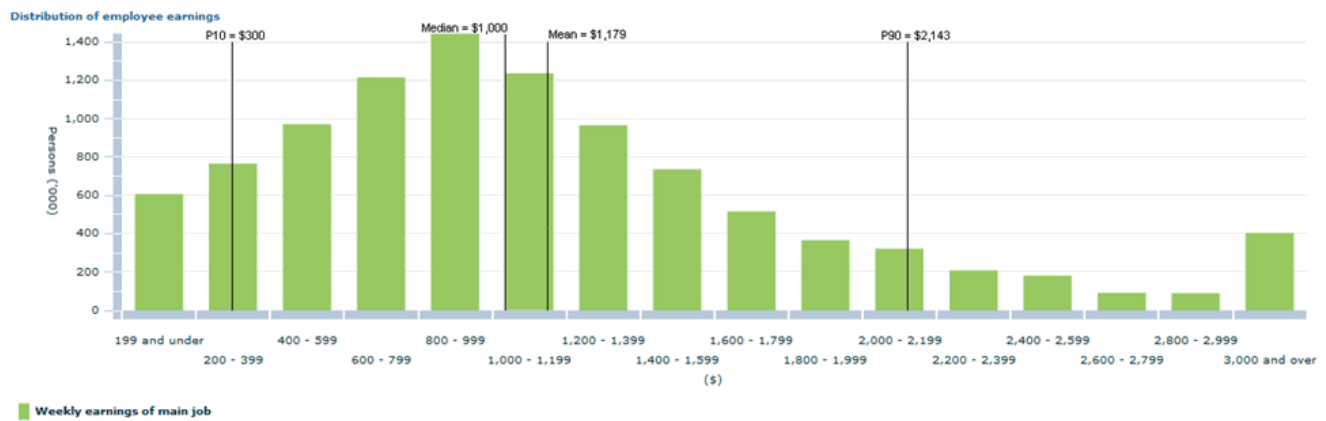
**Source(s):** Mean weekly earnings in main job, By Age and Sex-Mean By age and sex

The mean weekly earnings in main job was higher for males than for females in every age group. In the 60–64 year age group the mean weekly earnings for females was 59% of that for males. In the 20–24 year age group - female average weekly earnings were 80% of male earnings. The greatest difference in mean weekly earnings between males and females was for those aged 35–44 (a difference of \$642 per week), while the smallest difference, \$106, was for those aged 15–19 years. (Data Cube 21)

The greatest difference in mean weekly earnings between males and females for full-time workers was for those aged 55–59 (a difference of \$398 per week) while the smallest difference, \$16, was for those aged 15–19 years. By comparison the greatest difference in mean weekly earnings between males and females for part-time workers was for those aged 35–44 (a difference of \$118 per week) while the smallest difference, \$13, was for those aged 65 and over. (Data Cube 21)

### Distribution of earnings

At August 2014, the mean weekly earnings of employees and OMIEs was higher than median weekly earnings. This difference demonstrates the asymmetric distribution of earnings, where a relatively small number of employees and OMIEs have comparatively very high earnings. This is illustrated in the graph below.



While median and mean earnings provide useful information about earnings distributions, they do not capture all the information about the distribution. It is also useful to consider percentiles, which measure the spread of earnings across the population. For example, the 10th percentile, P10, separates the population into the bottom 10% (lowest earners) and top 90%, while P90 separates the population into the bottom 90% and the top 10% (highest earners). At August 2014, P10 for weekly earnings in main job was \$300, while P90 for weekly earnings in main job was \$2,143 (Data Cube 24).

As would be expected, the distribution of weekly earnings of part-time employees and OMIEs was concentrated in lower earning groups with 62% earning under \$600 per week. For full-time employees and OMIEs, 66% earned \$1,000 or more per week. For male full-time employees and OMIEs, the mean weekly earnings in main job was \$1,587 and the median weekly earnings in main job was \$1,300. For female full-time employees and OMIEs, the mean weekly earnings in main job was \$1,265 and the median weekly earnings in main job was \$1,100. Conversely, for part-time employees and OMIEs, the mean weekly earnings in main job for males was \$504 and the median weekly earnings was \$400 and for females it was \$565 and \$500 for mean and median weekly earnings, respectively. (Data Cube 24)

### Median weekly earnings in main job

In August 2014, the median weekly earnings in main job for all employees and OMIEs was \$1,000, compared to a mean of \$1,179. The difference between the mean and median shows that the high earnings of some employees and OMIEs increases the mean weekly earnings relative to median earnings. More than 10% of employees and OMIEs in their main job earned at least twice the median - \$2,143 or more per week in their main job (Data Cube 22).

Median weekly earnings was highest for employees who worked in the Mining industry Division (\$2,100) while the lowest median weekly earnings was for employees who worked in the Accommodation and food services industry Division (\$461) (Data Cube 23). By occupation group, the highest median earnings was for Managers (\$1,438) while the lowest was for Sales workers (\$518) (Data Cube 24).

Median weekly earnings for full-time workers was \$1,200 compared to \$467 for part-time workers. Median weekly earnings in main job for male full-time workers was \$1,300 compared to \$1,100 for females. For part-time workers though, median weekly earnings was higher for females than males (\$500 compared to \$400 respectively). (Data Cube 22)

### Other characteristics of Employees and OMIEs

At August 2014, 17% of male employees and OMIEs worked part-time in their main job, whereas 47% of female employees and OMIEs worked part-time in their main job. (Data Cube 24)

Employees and OMIEs in the Machinery operators and drivers occupation group were most likely to be male (91%) followed by Technicians and trades workers (86%). In contrast, the Clerical and administrative workers occupation group contained the highest proportion of female employees and OMIEs (77%) followed by Community and personal service workers (69%). (Data Cube 24)

The occupation group with the highest proportion of all employees and OMIEs was Professionals (23%). This occupation group also employed the highest proportion of females (26%). The Technicians and trade workers occupation group contained the highest proportion of male employees and OMIEs (22%). (Data Cube 24)

Most employees and OMIEs working in the Construction industry Division were males (88%) followed by Mining (85%). In comparison, the industry Division with the highest proportion of females was Health care and social assistance followed by Education and training (78% and 69% respectively). (Data Cube 25)

The industry Division with the highest proportion of all employees and OMIEs was Health care and social assistance (13%) followed by Retail trade (11%). The industry Division with the highest proportion of males was Construction (12%), but only 2% of females. The industry Division with the highest proportion of females was the Health care and social assistance industry Division (21%). This compared to only 5% of males working in this industry Division. (Data Cube 25)

The Mining industry Division contained the highest proportion of employees and OMIEs who worked full-time in their main job (96%) while Accommodation and food services had the lowest proportion (39%). (Data Cube 20)

The Construction industry Division had the highest proportion of all males who worked full-time in their main job (14%), followed by Manufacturing (13%). The Health care and social assistance industry Division had the highest proportion of all females who worked full-time in their main job (19%) followed by Education and training (13%). The industry Division with the most part-time workers was Health care and social assistance (19%). (Data Cube 20)

The Managers occupation group had the highest proportion of employees and OMIEs who worked full-time in their main job (89%), while Sales workers had the lowest proportion (41%). (Data Cube 20)

The Technicians and trades workers occupation group had the highest proportion of males who worked full-time in their main job (24%)

followed by Professionals (21%). The Professionals occupation group had the highest proportion of females who worked full-time in their main job (30%) followed by Clerical and administrative workers (26%). The occupation groups with the most part-time workers were Sales workers and Professionals (both 19%). (Data Cube 20)

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## EMPLOYEES IN MAIN JOB

Of the 9.6 million persons who were employees in their main job, 51% were males. Of the 7.3 million employees with paid leave entitlements, 53% were males. Nearly four out of five (79%) male employees had paid leave entitlements in their main job, compared to almost three out of four female employees (73%). (Data Cube 33)

There were 72% of employees aged 15–19 years who did not have paid leave entitlements compared to those aged 20–24 years (40%). Female employees made up 55% of those without paid leave entitlements. (Data Cube 3)

The industry Division with the highest proportion of employees without paid leave entitlements was Accommodation and food services (63%). This was the case for both males and females in this industry Division (59% and 67% respectively). (Data Cube 3).

The occupation group with the highest proportion of employees without paid leave entitlements was Labourers (48%) followed by Sales workers (45%). The occupation group Labourers also had the highest proportion of males and females without paid leave entitlements (46% and 51% respectively). Occupation groups with the lowest proportion of employees without paid leave entitlements were Managers (7%) and Professionals (13%). (Data Cube 3)

The industry Division with the highest proportion of employees in their main job was Health care and social assistance (13%). Of male employees, the highest proportion worked in the Manufacturing (12%) and Construction (11%) industry Divisions. In contrast, of female employees only 5% and 2% worked in these industry Divisions respectively. The industry Division with the most female employees was Health care and social assistance (22%). (Data Cube 3)

The industry Division Health care and social assistance had the highest proportion of female employees (80%) followed by Education and training (70%). The industry Division Construction had the highest proportion of male employees (89%) followed by Mining (86%). (Data Cube 3)

Male employees made up 91% and 85% of those in the occupation groups Machinery operators and drivers and Technicians and trades workers respectively. In contrast, a higher proportion of female employees were in the Clerical and administrative workers (76%) and Community and personal service workers (69%) occupation groups. (Data Cube 3)

Other characteristics of employees in main job include:

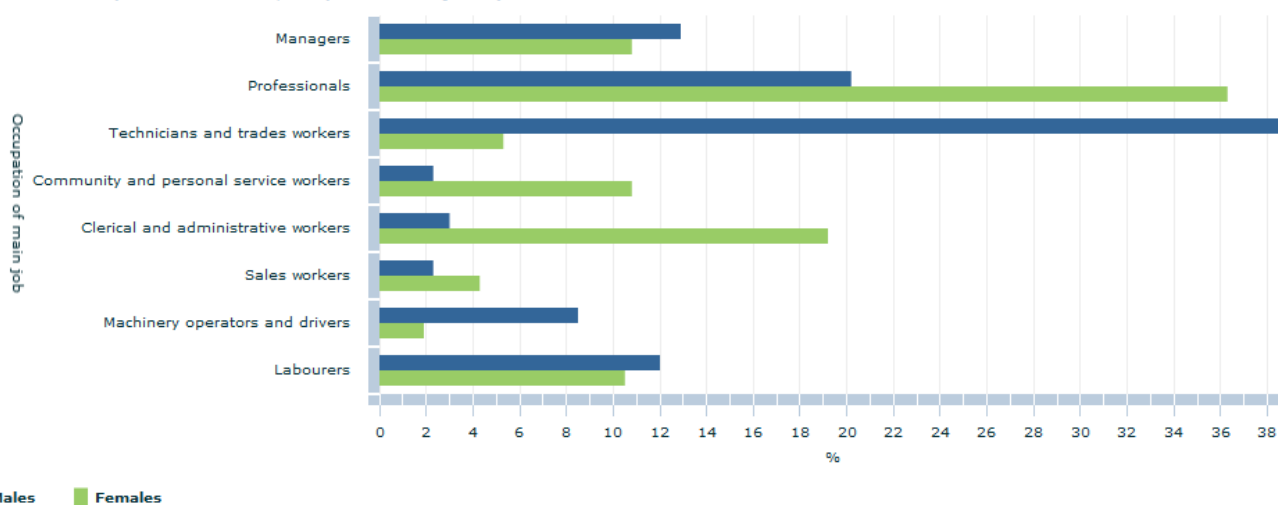
- 18% were aged 15–24 years, and 16% were aged 55 years and over; (Data Cube 32)
- 21% had been with their current employer for less than one year, while 22% had been with their current employer for 10 years or more;
- only 4% worked on a fixed-term contract, of whom 51% were in the occupation group Professionals, and 36% worked in the Education and training industry Division; (Data Cube 33) and
- 11% of workers on a fixed-term contract were not guaranteed a minimum number of hours each week. (Data Cube 32)

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## INDEPENDENT CONTRACTORS

The highest proportion of independent contractors were in the occupation groups Technicians and trades workers (30%) and Professionals (25%). These occupation groups also employed the highest proportions of male independent contractors (39% and 20% respectively). In contrast, of all female independent contractors the highest proportion were Professionals (36%), followed by Clerical and administrative workers (19%). (Data Cube 36)

Distribution of Independent Contractors, Occupation of main job - By sex



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**Source(s):** Distribution of Independent Contractors, Occupation of main job - By sex-Independent contractors, Occupation By Sex

There were just over 1 million persons who were independent contractors in August 2014. Almost three quarters (74%) of all



independent contractors were males. More than half (54%) of the independent contractors were aged 45 years and over. (Data Cube 35)

The Construction industry Division had the most independent contractors (31%) followed by the Professional, scientific and technical services industry Division (16%). These industry Divisions also had the most male independent contractors (40% and 15% respectively). By comparison, the Professional, scientific and technical services industry Division had the most female independent contractors (20%) followed by Health care and social assistance (18%). (Data Cube 36)

More than three quarters (76%) of independent contractors were usually able to work on more than one active contract at a time. Over half (56%) of all independent contractors had only one active contract in the reference week. (Data Cube 37)

Other characteristics of independent contractors include:

- 93% expected to be with current employer/business in 12 months;
- 20% of persons not expecting to be with current employer/business in 12 months reported that they would be retiring;
- 13% had been with their current employer/business for less than one year, while 42% had been with their current employer/business for 10 years or more; (Data Cube 36) and
- 57% were able to (sub)contract their own work. (Data Cube 37)

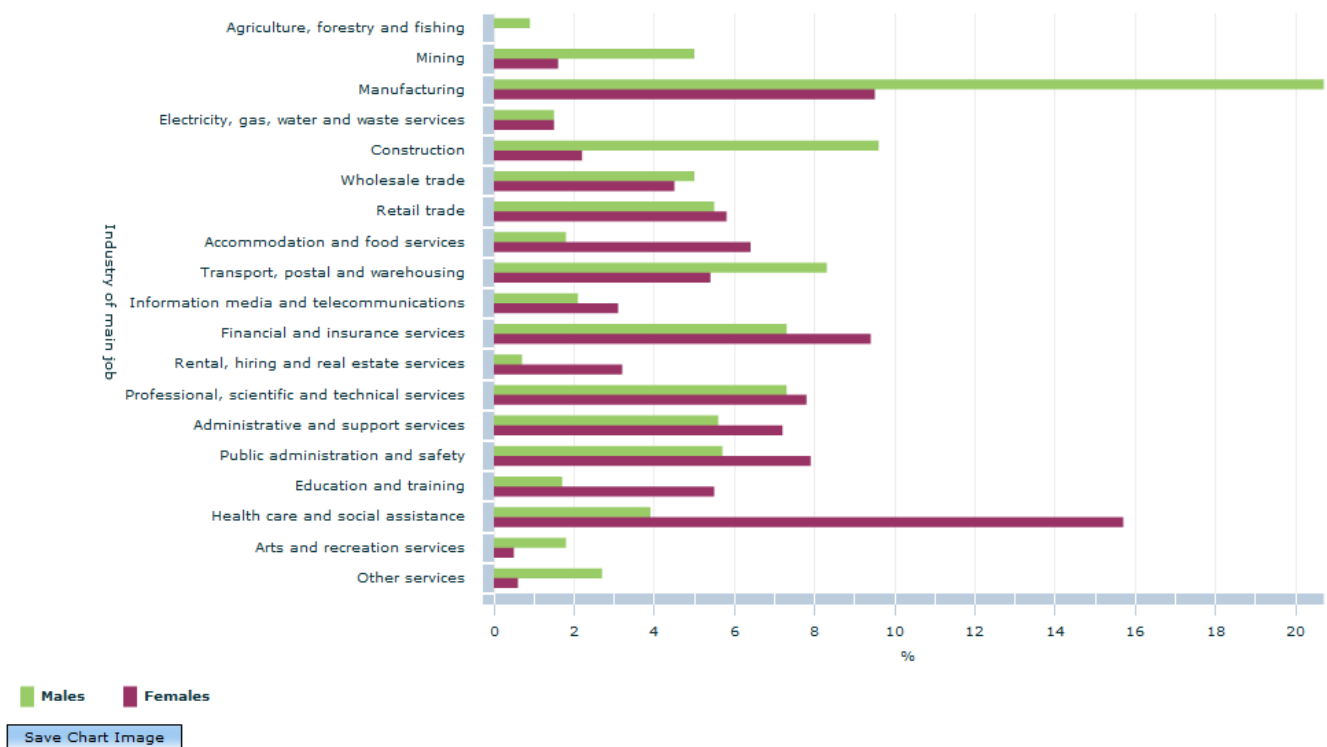
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## PERSONS WHO FOUND THEIR JOB THROUGH A LABOUR HIRE FIRM/EMPLOYMENT AGENCY

In August 2014, there were approximately 599,800 persons who had found their job through a labour hire firm/employment agency of which 59% were males. (Data Cube 40)

The highest proportion of males who had found their job through a labour hire firm/employment agency were in the Manufacturing (21%) and Construction (10%) industry Divisions. For females, the most common industry Divisions were Health care and social assistance (16%) followed by Manufacturing and Financial and insurance services (both 9%). (Data Cube 41)

Persons who found their job through a labour hire firm or employment agency, By industry of main job - By sex



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**Source(s):** Persons who found their job through a labour hire firm or employment agency, By Industry of main job - By Sex-Labour hire firm or employment agency, By industry of main job - By sex

Of those persons who had found their job through a labour hire firm/employment agency, the age groups with the highest proportion were in the 35–44 and 25–34 year age groups (28% and 27% respectively). (Data Cube 40)

The most common occupation groups for males who had found their job through a labour hire firm/employment agency were Machinery operators and drivers, Professionals and Technicians and Trades workers (each 19%). For females, the most common occupation groups were Clerical and administrative workers (35%) and Professionals (22%). (Data Cube 41)

There were approximately 124,400 persons (21% of those who had found their job through a labour hire firm/employment agency) who were paid by a labour hire firm/employment agency (labour hire workers). Of these, the Manufacturing (19%) and Administrative and support services (16%) industry Divisions contained the highest proportion of those who were labour hire workers. (Data Cube 42)

Labourers (21%) and Technicians and trades workers (19%) were the most common occupation groups for those who were labour hire workers. (Data Cube 42)

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1 From 2014, all employed people were asked about whether they were members of a trade union, In previous years, only employees

and owner managers of incorporated enterprises were asked if they were members of a trade union,

## Main Features

### NOTES

#### ABOUT THIS PUBLICATION

The statistics in this release were compiled from the Characteristics of Employment (COE) Survey conducted throughout Australia in August 2014 as a supplement to the Australian Bureau of Statistics (ABS) monthly Labour Force Survey (LFS). Questions were asked of all employed persons except for those who worked as contributing family workers in their main job.

This release presents information about all employed persons in August 2014. Data are presented on the weekly earnings of employees and owner managers of incorporated enterprises (OMIEs), trade union membership, independent contractors, persons who found their job through a labour hire firm/employment agency and working arrangements. This information can be cross classified by a range of personal characteristics, characteristics of employment such as full-time or part-time status, industry and occupation of main job, and demographic characteristics.

This release combines the key elements from the previous separate Employee Earnings, Benefits and Trade Union Membership survey (EEBTUM), Forms of Employment survey (FOE) and Working Time Arrangements survey (WTA) to provide a comprehensive and coherent dataset on characteristics of people's employment.

Caution should be exercised when comparing the estimates from this release with previous surveys as some data items have changed and population groups are conceptually different.

Caution should be exercised when comparing results from the 2014 COE to previous FOE (2008–2013) and EEBTUM as the population Employees in this release is not directly comparable to the Employees population in both FOE and EEBTUM.

From August 2014, information on trade union membership was collected from all employed persons. In previous years, information on trade union membership was collected of only employees and OMIEs. See Appendix: Status of employment and population concordance for more information.

To minimise the risk of identifying individuals in aggregate statistics, a technique is used in this release to randomly adjust cell values. This technique is called perturbation. Perturbation involves small random adjustment of the statistics and is considered the most satisfactory technique for avoiding the release of identifiable statistics while maximising the range of information that can be released. These adjustments have a negligible impact on the underlying pattern of the statistics. After perturbation, a given published cell value will be consistent across all tables. However, adding up cell values to derive a total will not necessarily give the same result as published totals.

#### ROUNDING

As estimates have been rounded, discrepancies may occur between sums of the component items and totals.

#### INQUIRIES

For more information about ABS data available on request, contact National Information and Referral Service in Canberra on 1300 135 070 or via email to <client.services@abs.gov.au> or contact Labour Supplementary Survey Section on (02) 6252 7206 or via email to <labour.statistics@abs.gov.au>. The ABS Privacy Policy outlines how the ABS handles any personal information that you provide to us.

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## About this Release

Contains information on: weekly earnings of employees which shows the distribution of weekly earnings of all wage and salary earners classified by full-time/part-time workers; employment characteristics which presents data on fixed-term contracts, independent contractors and labour hire workers; and trade union membership, all of which can be cross classified by other employment characteristics such as hours worked, industry, occupation and sector of job as well as personal characteristics.

## History of Changes

**29/05/2018** - Correction to Data Cubes 37 and 38 and associated statistical commentary as follows:

**Datacube 37:** Independent contractors: Industry of main job-By selected characteristics of independent contracting-By Sex - Labelling corrected for 'whether had authority over own working procedures', and, 'whether had more than one active contract in the reference week'.

**Datacube 38:** Independent contractors: Occupation of main job-By selected characteristics of independent contracting-By Sex - Labelling corrected for 'whether had authority over own working procedures', and, 'whether had more than one active contract in the reference week'.

**Key Findings:** Independent contractors - Update to percentage of Independent contractors who had more than one active contract in the reference week.

**18/12/2015** - Correction to Data Cubes 10, 12, 20 and 49 and associated commentary in the key findings as follows:



**Data Cube 10:** Employed persons: Selected characteristics—By full-time or part-time status and duration (length) of current trade union membership—By sex, contained incorrect data for the relative standard errors of the proportions employed persons who were trade union members in main job of persons (males and females) Relationship in household; Family member; Husband wife or partner; With and Without dependents (6 cells).

**Data Cube 12:** Employed persons: Weekly earnings in main job—By full-time or part-time status and duration (length) of current trade union membership—By sex, contained incorrect data for mean weekly earnings in main job for trade union members in main job (3 cells) and those who were not trade union members (1 cell). Corresponding relative standard errors (RSE) have also been updated in this Data Cube.

The key findings that reported this incorrect data have also been updated to read:

- The mean weekly earnings in main job for employed persons who were a trade union member in their main job was \$1,295 compared to \$1,162 estimates for employed persons who were not trade union members.

**Data Cube 20:** Employees and Owner managers of incorporated enterprises (OMIEs) in main job: Selected personal and employment characteristics—By full-time or part-time status in main job—By sex, contained incorrect data for full-time and part-time workers by sex. This Data Cube has been updated to output the data: sex by full-time or part-time workers. Corresponding relative standard errors (RSE) have also been updated in this Data Cube.

The key findings that reported this incorrect data have also been updated to read:

- The Mining industry Division contained the highest proportion of employees and OMIEs who worked full-time in their main job (96%) while Accommodation and food services had the lowest proportion (39%).

The Construction industry Division had the highest proportion of all males who worked full-time in their main job (14%), followed by Manufacturing (13%). The Health care and social assistance industry Division had the highest proportion of all females who worked full-time in their main job (19%) followed by Education and training (13%). The industry Division with the most part-time workers was Health care and social assistance (19%).

The Managers occupation group had the highest proportion of employees and OMIEs who worked full-time in their main job (89%), while Sales workers had the lowest proportion (41%).

The Technicians and trades workers occupation group had the highest proportion of males who worked full-time in their main job (24%) followed by Professionals (21%). The Professionals occupation group had the highest proportion of females who worked full-time in their main job (30%) followed by Clerical and administrative workers (26%). The occupation groups with the most part-time workers were Sales workers and Professionals (both 19%).

**Data Cube 49:** Populations: Mean weekly earnings in main job—By state or territory of usual residence—By sex, contained incorrect data for mean weekly earnings in main job for NSW of both females and persons for all population groups

Further mean weekly earnings in main job for the population groups **Population 11:** Multiple job holders and **Population 13:** Employees and owner managers of incorporated enterprises (OMIEs) in second job has been updated for all persons (males and females). Corresponding relative standard errors (RSE) have also been updated in this Data Cube.

#### Key Findings:

- The mean weekly earnings for full-time workers in all jobs has been updated, as well as the percentage increase since August 2004;
- The proportion of employed females in the Health care and social assistance has been updated;
- The proportion of full-time employees and OMIEs who earned \$1,000 or more per week has been updated; and
- Additional updates to referenced Data Cubes.

## Explanatory Notes

### Explanatory Notes

#### EXPLANATORY NOTES

##### INTRODUCTION

1 The statistics in this publication were compiled from information collected in the Characteristics of Employment (COE) survey conducted throughout Australia in August 2014 as a supplement to the Australian Bureau of Statistics' (ABS) monthly Labour Force Survey (LFS). Respondents to the LFS who fell within the scope of the supplementary survey were asked further questions.

2 Information about survey design, scope, coverage and population benchmarks relevant to the monthly LFS, which also applies to supplementary surveys, can be found in the publication Labour Force, Australia (cat. no. 6202.0).

##### CONCEPTS, SOURCES AND METHODS

3 The conceptual frameworks used in the monthly LFS align closely with the standards and guidelines set out in Resolutions of the International Conference of Labour Statisticians. Descriptions of the underlying concepts and structure of Australia's labour force statistics, and the sources and methods used in compiling these estimates, are presented in Labour Statistics: Concepts, Sources and

Methods (cat. no. 6102.0.55.001).

4 The conceptual framework for measures of mean and median earnings aligns closely with the standards and guidelines set out in the System of National Accounts 2008, and Resolutions of the International Conference of Labour Statisticians.

## SCOPE

5 The scope of the LFS is restricted to people aged 15 years and over and excludes the following people:

- members of the permanent defence forces;
- certain diplomatic personnel of overseas governments, customarily excluded from the Census and estimated populations;
- overseas residents in Australia; and
- members of non-Australian defence forces (and their dependants).

6 Students at boarding schools, patients in hospitals, residents of homes (e.g. retirement homes, homes for people with disabilities), and inmates of prisons are excluded from all supplementary surveys.

7 This supplementary survey was conducted in both urban and rural areas in all states and territories, but excluded persons living in Aboriginal and Torres Strait Islander communities in very remote parts of Australia.

8 In addition to those already excluded from the LFS, contributing family workers, persons not in the labour force and unemployed persons were also excluded.

## COVERAGE

9 The estimates in this publication relate to persons covered by the survey in August 2014. In the LFS, coverage rules are applied which aim to ensure that each person is associated with only one dwelling, and hence has only one chance of selection in the survey. See Labour Force, Australia (cat. no. 6202.0) for more details.

## SAMPLE SIZE

10 Supplementary surveys are not always conducted on the full LFS sample. Since August 1994 the sample for supplementary surveys has been restricted to no more than seven-eighths of the LFS sample.

11 This survey is fully based on the sample introduced after the 2011 Census of Population and Housing. For more information, see the Article in the May 2013 issue of Labour Force, Australia (cat. no. 6202.0).

12 The initial sample for the August 2014 LFS consisted of 31,298 private dwellings and special dwelling units. Of the 24,834 private dwellings and special dwelling units that remained in the survey after sample loss (e.g. households selected in the survey which had no residents in scope for the LFS, vacant or derelict dwellings and dwellings under construction), approximately 24,672 or 91.2% were responding to the LFS, realising approximately 25,360 completed supplementary schedules.

## RELIABILITY OF THE ESTIMATES

13 Estimates in this publication are subject to sampling and non-sampling errors:

- Sampling error is the difference between the published estimate and the value that would have been produced if all dwellings had been included in the survey. For more information, see the Technical Note.
- Non-sampling errors are inaccuracies that occur because of imperfections in reporting by respondents and interviewers, and errors made in coding and processing data. These inaccuracies may occur in any enumeration, whether it be a full count or a sample. Every effort is made to reduce the non-sampling error to a minimum by careful design of questionnaires, intensive training and effective processing procedures.

## SEASONALITY

14 The estimates are based on information collected in the survey month (August) and, due to seasonality, may not be representative of other months of the year.

## CLASSIFICATIONS USED

15 Country of birth data are classified according to the Standard Australian Classification of Countries (SACC), 2011 (cat. no. 1269.0).

16 Occupation data are classified according to ANZSCO - Australian and New Zealand Standard Classification of Occupations, 2013, Version 1.2 (cat. no. 1220.0).

17 Industry data are classified according to the Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 (Revision 2.0) (cat. no. 1292.0).

## NOTES ON ESTIMATES

18 To minimise the risk of identifying individuals in aggregate statistics, a technique is used to randomly adjust cell values. This technique is called perturbation. Perturbation involves small random adjustment of the statistics and is considered the most satisfactory

technique for avoiding the release of information that could identify individual survey respondents while maximising the range of information that can be released. These adjustments have a negligible impact on the underlying pattern of the statistics. After perturbation, a given published cell value will be consistent across all tables. However, adding up cell values to derive a total will not necessarily give the same result as published totals.

**19** Where information relating to earnings in both main job and/or second job was not provided by the respondent, values have been imputed. In August 2014, there were 3,407 cases where information relating to earnings in main job was not provided by the respondent and 105 cases where information relating to earnings in second job was not provided by the respondent. Where this was the only information missing from the respondent record, the value was imputed based on answers provided from another respondent with similar characteristics (referred to as the "donor"). Donor records were selected for imputation of earnings in main job by matching information on sex, age, state or territory of usual residence and selected labour force characteristics (full-time or part-time in main job, industry, occupation, hours worked in main job, owner manager status) of the person with missing information.

**20** Donor records were selected for imputation of earnings in second job by matching information on age, state or territory of usual residence, area of usual residence, owner manager status, hours worked in second job and frequency of pay in second job. Depending on which values were imputed, donors were chosen from the pool of individual records with complete information for the block of questions where the information was missing.

## **Earnings**

**21** Estimates relating to mean and median weekly earnings exclude owner managers of incorporated enterprises (OMIEs) who did not draw a wage or salary and employees who only received payment in kind.

## **Leave entitlements**

**22** Employees have been classified as 'With paid leave entitlements' if they were entitled to paid sick leave and/or paid holiday leave. In all other cases, employees have been classified as 'Without paid leave entitlements'.

## **COMPARABILITY OF TIME SERIES**

**23** The Labour Force Survey estimates and estimates from the supplementary surveys, are calculated in such a way as to sum to independent estimates of the civilian population aged 15 years and over (population benchmarks). These population benchmarks are based on Estimated Resident Population (ERP) data. Generally, revisions are made to population benchmarks for the LFS following the final rebasing of population estimates to the latest five-yearly Census of Population and Housing, or when the need arises. However, the estimates from the supplementary surveys are not normally revised to reflect the latest benchmarks.

**24** From January 2014, Labour Force Estimates have been compiled using population benchmarks based on the 2011 Census of Population and Housing. At the time of publication, this issue's estimates are comparable with the published labour force estimates for August 2014.

**25** Changes to the LFS population benchmarks impact primarily on the magnitude of the Labour Force Survey estimates (i.e. employment and unemployment) that are directly related to the underlying size of the population. For more details on population benchmarks, see the Explanatory Notes in Labour Force, Australia (cat. no. 6202.0), and for details about the revisions made, see the article in the January 2014 issue of Labour Force, Australia (cat. no. 6202.0) and the article in the November 2012 issue of Labour Force, Australia (cat. no. 6202.0).

**26** From August 2014 collection of earnings in second job was changed to match the collection of earnings in main job. Previously, earnings in second job was collected from respondents who were employees in their second job who actually worked some hours in their second job in the reference week. Earnings were reported for those hours actually worked in that job. From 2014, earnings in second job were collected from employees in their second job regardless of whether they worked in that job in the reference week. Earnings data and frequency of pay in that second job were subsequently collected. This change will result in a break in series of earnings in all jobs and earnings in second job.

**27** Caution should be exercised when comparing results from the 2014 COE to previous Employee Earnings, Benefits and Trade Union Membership surveys (EEBTUM) as the population Employees in COE is not directly comparable to the Employees population in EEBTUM. In EEBTUM "Employees" comprised both employees and OMIEs. In this publication time series presents the population groups on a consistent basis.

**28** Caution should be exercised when comparing results from the 2014 COE to previous Forms of Employment surveys (FOE) (2008–2013) as the population Employees in COE is not directly comparable to the Employees population in FOE.

**29** Prior to 2014, information about trade union membership was collected only of employees and owner managers or incorporated enterprises. From 2014 onwards, information on trade union membership is collected from all employed people. See Appendix: Status of employment and population concordance for more information.

**30** For information on the history of changes to EEBTUM, see the Explanatory Notes (cat. no. 6310.0).

**31** For information on the history of changes to FOE, see the Explanatory Notes (cat. no. 6359.0).

## **Salary sacrifice**

**32** The estimates of earnings in this publication are produced in accordance with the conceptual framework for measures of employee remuneration, as outlined in Information paper: Changes to ABS Measure of Employee Remuneration, Australia 2006 (cat. no. 6313.0).

**33** From 2007, as a result of a change in the concept of earnings being measured, employees and OMIEs were asked to include salary sacrifice when estimating their earnings. In previous years, there was no explicit reference to the treatment of salary sacrifice. It is probable that some employees were already including amounts of salary sacrifice in their estimates of earnings, depending upon how their pay was reported. This change has resulted in a break in series. Users need to exercise care when comparing the earnings of employees and OMIEs in this release with those prior to 2007.

## **Imputation**

**34** From 2014, additional information relating to the number of hours usually worked and the frequency of pay in a respondent's second job were added to the imputation process for second job earnings.

**35** From 2009, additional information relating to the number of hours that a respondent's last pay period covered in their main job was added to the imputation process for main job earnings.

**36** Aside from the changes listed above, the current imputation method has been used since the 2005 survey. A similar method of imputation was used for the 2004 survey. The differences between the 2004 and the current imputation method are that donors are matched, where possible at a finer level of detail; and second job earnings are imputed whereas in 2004 they were not.

**37** Prior to 2004, imputation was not used. Employees whose weekly earnings could not be determined were excluded from estimates of mean or median weekly earnings. Care should be taken when comparing earnings data from 2004 onwards with earnings data prior to 2004. To compare the change in methodology from 2003 to 2004 see paragraph 28 of the Explanatory Notes in the August 2004 Employee Earnings, Benefits and Trade Union Membership (cat. no. 6310.0).

## **COMPARABILITY WITH MONTHLY LFS STATISTICS**

**38** Due to differences in the scope and sample size of this supplementary survey and that of the monthly LFS, the estimation procedure may lead to some small variations between labour force estimates from this survey and those from the LFS.

## **COMPARABILITY WITH EMPLOYER-BASED SURVEYS**

**39** Caution should be exercised when comparing estimates of earnings in this release with estimates of earnings included in the biannual publication Average Weekly Earnings, Australia (cat. no. 6302.0) and two-yearly publication Employee, Earnings and Hours, Australia (cat. no. 6306.0). The data in both these publications are compiled from employer based surveys. There are important differences in the concepts, scope and methodology of these surveys resulting in different estimates of earnings from each survey.

**40** The survey of Average Weekly Earnings (AWE) collects information from employers who complete an online questionnaire with details of their employees' total gross earnings and their total number of employees. The survey of Employee, Earnings and Hours (EEH) collects information about weekly earnings of a sample of employees and their individual characteristics within the selected employer unit. Both AWE and EEH are completed by employers with information from their payroll. However, for COE and EEBTUM, respondents are either the employed person or another adult member of their household who responds on their behalf. Where earnings are not known exactly an estimate is reported. AWE and EEH exclude employees in the industries of Agriculture, forestry and fishing; and Private households employing staff whereas these are included in the COE and EEBTUM household surveys and may result in differences in earnings.

**41** Estimates of average weekly earnings from AWE excluded amounts salary sacrificed until May 2011, and since then, have been reported as Average Weekly Cash Earnings in the Average Weekly Earnings datacubes. In EEH, the salary sacrificed amounts have been included in the estimates of mean and median weekly earnings from 2006 onwards. From 2007, COE and EEBTUM have included amounts salary sacrificed in the estimates of mean and median weekly earnings.

**42** The methodology used in COE and EEBTUM may result in non-sampling error not evident in surveys of employers (and vice versa). This may account for some of the differences in the results compared to employer based surveys. More details about earnings statistics produced from these surveys is included in the analytical article Understanding earnings in Australia using ABS statistics (cat. no. 6105.0).

## **PREVIOUS SURVEYS**

**43** Similar surveys on weekly earnings have been conducted annually in August since 1975, except in 1991 when the survey was conducted in July, and in 1996 when the survey was not conducted.

**44** Prior to 1999, the EEBTUM publication was titled Weekly Earnings of Employees (Distribution), Australia (cat. no. 6310.0). The change in title reflects the inclusion of employment benefits and trade union membership data previously released in other publications.

**45** Results of previous surveys on employment benefits have been published in Weekly Earnings of Employees (Distribution), Australia, August 1997 (cat. no. 6310.0).

**46** Information on trade union membership was first collected in 1976, then biennially in its current format, from 1986 to 1992. From 1994, it was conducted annually (with only limited data available every second year). Results of previous surveys were published in Labour Force, Australia, December 1994, December 1995 (cat. no. 6203.0).

**47** Limited data on trade union membership have also been published in:

- Employment Arrangements, Retirement and Superannuation, Australia, April to July 2007 (Re-issue) (cat. no. 6361.0);
- Weekly Earnings of Employees (Distribution), Australia, August 1997 (cat. no. 6310.0);
- Working Arrangements, Australia, November 2000 (cat. no. 6342.0); and
- Working Arrangements, Australia, November 2003 (cat. no. 6342.0).

## **NEXT SURVEY**

**48** This survey was conducted in August 2015. More information on overwork, job flexibility, working patterns and locations of work is contained in this survey. Data on trade union membership was not collected in this survey.

## **ACKNOWLEDGEMENT**

**49** ABS surveys draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated: without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the Census and Statistics Act, 1905.

## RELATED PUBLICATIONS

**50** Other ABS publications which may be of interest include:

- Australian Labour Market Statistics (cat. no. 6105.0);
- Average Weekly Earnings, Australia (cat. no. 6302.0);
- Barriers and Incentives to Labour Force Participation, Australia (cat. no. 6239.0);
- Education and Work, Australia (cat. no. 6227.0);
- Employment Arrangements, Retirement and Superannuation, Australia, April to July 2007 (Re-issue) (cat. no. 6361.0);
- Employee Earnings and Hours, Australia (cat. no. 6306.0);
- Forms of Employment, Australia (cat. no. 6359.0);
- Industrial Disputes, Australia (cat. no. 6321.0);
- Information paper: Outcomes of the Labour Household Surveys Content Review, 2012 (cat. no. 6107.0);
- Labour Force, Australia (cat. no. 6202.0);
- Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001);
- Retirement and Retirement Intentions, Australia (cat. no. 6238.0);
- Working Time Arrangements, Australia (cat. no. 6342.0); and

**51** Current publications and other products released by the ABS are available from the Statistics Page on the ABS website. The ABS also issues a daily Release Advice on the website which details products to be released in the week ahead.

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## Glossary

### GLOSSARY

#### Born in Australia

Includes persons born in Australia, Norfolk Island and Australian External Territories.

#### Considered job to be casual

Employees who considered their job to be casual, regardless of any entitlements that they may receive.

#### Continuous duration with current employer/business

The length of the current period of employment people had with their employer or in their own business. The length of time includes periods of paid leave, unpaid leave or strike.

#### Did not draw a wage or salary

Consists of persons who worked in their own incorporated enterprise only i.e Owner managers of incorporated enterprises (OMIEs)

#### Employed persons

People aged 15 years and over who, during the reference week:

- worked for one hour or more for pay, profit, commission or payment in kind, in a job or business or on a farm (comprising employees, employers and own account workers); or
- worked for one hour or more without pay in a family business or on a farm (i.e. contributing family workers); or
- were employees who had a job but were not at work and were:
  - away from work for less than four weeks up to the end of the reference week;
  - away from work for more than four weeks up to the end of the reference week and received pay for some or all of the four week period to the end of the reference week;
  - away from work as a standard work or shift arrangement;
  - on strike or locked out;
  - on workers' compensation and expected to return to their job; or
- were employers or own account workers who had a job, business or farm, but were not at work.

Contributing family workers in their main job were excluded from the Characteristics of Employment Survey.

#### Employees

From August 2014, the Characteristics of Employment (COE) Survey definition of employees differs from the definition used in surveys prior to July 2014 including, the Labour Force Survey, other household surveys (including earlier Forms of Employment, Employee Earnings, Benefits and Trade Union Membership and Working Time Arrangements surveys). See Appendix: Status of employment and population concordance for more information.

Employees are persons who:

- worked for a public or private employer; and

- received remuneration in wages or salary; or are paid a retainer fee by their employer and worked on a commission basis, for tips, piece-rates or payment in kind.

### **Employment agency**

An employment agency is an organisation which is engaged in personnel search, or selection and placement of people for an employing organisation. The agency or firm may also be engaged in supply of their own employees to other employers, usually on a short-term basis. (See also labour hire firm).

### **Fixed-term contract**

A contract of employment which specifies that the employment will be terminated on a particular date/event.

### **Full-time workers in main job**

People who were employees in their main job and were:

- Single job holders who usually work 35 hours or more a week, or usually work fewer than 35 hours but worked 35 hours or more during the reference week; or
- Multiple job holders who usually work 35 hours or more in their main job and those who, although usually working fewer than 35 hours in their main job, worked 35 hours or more during the reference week.

### **Full-time workers**

Employed persons who usually worked 35 hours or more a week (in all jobs) and others who, although usually worked less than 35 hours a week, worked 35 hours or more during the reference week. These people were classified as full-time workers.

### **Holiday leave**

The entitlement of an employee to paid holiday, paid vacation or paid recreation leave in their main job.

### **Hours paid for in main job**

The number of hours for which employees and OMIEs were paid in their main job in their last pay, not necessarily the number of hours actually worked during the reference week (e.g. a person on paid leave for the week was asked to report the number of hours for which they were paid).

### **Hours usually worked**

The number of hours usually worked in a week.

### **Hours worked**

The number of hours actually worked during the reference week.

### **Independent contractors**

Independent contractors are persons who operate their own business and who are contracted to perform services for others without having the legal status of an employee, i.e. persons who are engaged by a client, rather than an employer to undertake the work. Independent contractors are engaged under a contract for services (a commercial contract), whereas employees are engaged under a contract of service (an employment contract).

Independent contractors' employment may take a variety of forms, for example, they may have a direct relationship with a client or work through an intermediary. Independent contractors may have employees, however they spend most of their time directly engaged with clients or on client tasks, rather than managing their staff.

### **Industry**

An industry is a group of businesses or organisations that undertake similar economic activities to produce goods and/or services. In this publication, industry refers to ANZSIC Division as classified according to the Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 (Revision 2.0) (cat. no. 1292.0).

### **Labour hire firm**

A labour hire firm is an organisation which is engaged in personnel search, or selection and placement of people for an employing organisation. The agency or firm may also be engaged in supply of their own employees to other employers, usually on a short-term basis. (See also employment agency).

### **Labour hire workers**

Labour hire workers are persons who found their job through a labour hire firm/employment agency and are paid by the labour hire firm/employment agency.

### **Main job**

The job in which the most hours were usually worked.

### **Mean weekly earnings**



The amount obtained by dividing the total earnings of a group by the number of employees and OMIEs in that group.

### **Median weekly earnings**

The amount which divides the distribution of employees and OMIEs into two groups of equal size, one having earnings above and the other below that amount.

### **Multiple jobholder**

Employed persons who, during the reference week, worked in more than one job. Multiple jobholders exclude those who changed employer during the reference week. People who were unpaid voluntary workers or on unpaid trainee/work placement in their second job were excluded from the Multiple jobholder population.

Information on earnings in main job is collected from all multiple jobholders. Information on earnings in second job is only collected from multiple jobholders who were employees or OMIEs in their second job and were an employee or OMIEs in their main job.

### **Occupation**

An occupation is a collection of jobs that are sufficiently similar in their title and tasks, skill level and skill specialisation which are grouped together for the purposes of classification. In this publication, occupation refers to Major Group and Sub-Major Group as defined by ANZSCO - Australian and New Zealand Standard Classification of Occupations, 2013, Version 1.2 (cat. no. 1220.0).

### **Owner managers of incorporated enterprises (OMIEs)**

People who work in their own incorporated enterprise, that is, a business entity which is registered as a separate legal entity to its members or owners (may also be known as a limited liability company).

An owner manager of an incorporated enterprise may or may not hire one or more employees in addition to themselves and/or other owners of that business. See Status of Employment for more information.

### **Owner managers of unincorporated enterprises (OMUEs)**

A person who operates his or her own unincorporated enterprise or engages independently in a profession or trade.

An owner manager of an unincorporated enterprise may or may not hire one or more employees in addition to themselves and/or other owners of that business. See Status of Employment for more information.

### **Paid leave entitlements**

The entitlement of employees to either paid holiday leave, paid sick leave in their main job.

### **Part-time workers in main job**

People who were employees in their main job and were:

- Single job holders who usually work fewer than 35 hours a week, and did so in the reference week; or
- Multiple job holders who actually worked fewer than 35 hours in their main job in the reference week, or were away from their main job but usually work fewer than 35 hours a week in their main job.

### **Part-time workers**

Employed persons who usually worked fewer than 35 hours a week (in all jobs) and either did so during the reference week, or were not at work in the reference week. In this publication, part-time workers relates to part-time workers who were employees in their main job.

### **Reference week**

The week preceding the week in which the interview was conducted.

### **Second job**

A job, other than the main job

### **Sector of main job**

Sector of main job is used to classify a respondent's employer as a public or private enterprise. The public sector includes all government units, such as government departments, non-market non-profit institutions that are controlled and mainly financed by government, and corporations and quasi-corporations that are controlled by government.

### **Sick leave**

The entitlement of an employee to paid sick leave in their main job.

### **Status of Employment**

Status of employment is determined by an employed person's position in relation to their job, and is usually in respect of a person's main job if they hold more than one job. Employed persons are classified according to the reported relationship between the person and the enterprise for which they work, together with the legal status of the enterprise where this can be established. The groups include:

- Employees
- Owner manager of incorporated enterprise (OMIEs) with employees

- Owner manager of incorporated enterprise (OMIEs) without employees
- Owner manager of unincorporated enterprise (OMUEs) with employees
- Owner manager of unincorporated enterprise (OMUEs) without employees and
- Contributing family workers.

### **Trade union**

An organisation consisting predominantly of employees, the principal activities of which include the negotiation of rates of pay and conditions of employment for its members.

### **Trade union member**

Employed persons who are a member of a trade union, not necessarily in connection with their main job.

### **Trade union member in main job**

Employed persons with membership in a trade union in connection with their main job.

### **Weekly earnings**

Amount of 'last total pay' (i.e. before taxation, salary sacrifice and other deductions had been made) from wage and salary jobs prior to the interview. For persons paid other than weekly, earnings were converted to a weekly equivalent. No adjustment was made for any back payment of wage increases, prepayment of leave or bonuses, etc.

### **With paid leave entitlements**

Employees who were entitled to either paid holiday leave or paid sick leave (or both) in their main job.

### **Without paid leave entitlements**

Employees who were not entitled to paid holiday leave and paid sick leave, or did not know whether they were entitled to paid holiday leave or paid sick leave in their main job.

### **Worked on a fixed-term contract**

Employees with a contract of employment which specifies that the employment will be terminated on a particular date/event.

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## **Populations and Data items list (Appendix)**

### **APPENDIX POPULATIONS**

#### **DATA AVAILABLE ON REQUEST**

The ABS has a range of data available on request from the Characteristics of Employment Survey. This section lists the populations which are used in this release. Full details of the data items are available on the ABS website in an Excel spreadsheet, under the Downloads tab: Data Cube: Populations and Data items list.

The population(s) for a particular data item refers to the persons in the survey to whom the data item relates.

For more information about ABS data available on request, contact Client Services Section in Canberra on 1300 135 070 or via email <client.services@abs.gov.au>, or contact Labour Force and Supplementary Survey Section on (02) 6252 7206 or via email <labour.statistics@abs.gov.au>.

The ABS Privacy Policy outlines how the ABS will handle any personal information that you provide to us.

#### **Population 1**

Employed persons

#### **Population 2**

Employees in main job

#### **Population 3**

Employees and Owner managers of incorporated enterprises (OMIEs) in main job

#### **Population 4**

Owner managers of incorporated enterprises (OMIEs) in main job

#### **Population 5**

Owner managers of unincorporated enterprises (OMUEs) in main job

#### **Population 6**

Employed persons who preferred to work more hours than usually worked

#### Population 7

Trade union members in their main job

#### Population 8

Trade union members

#### Population 9

Independent contractors

#### Population 10

Persons who found their job through a labour hire firm/employment agency

#### Population 11

Multiple job holders

#### Population 12

Employees in second job

#### Population 13

Employees and Owner managers of incorporated enterprises (OMIEs) in second job

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Data items		Population
1	State or territory of usual residence	All
2	Region of usual residence (SA4)	All
3	Sex	All
4	Social marital status	All
5	Relationship in household	All
6	Country of birth	All
7	Country of birth and elapsed years since arrival in Australia	All
8	Age group (years)	All
9	Number of dependents aged 15 to 24 years	All
10	Number of dependents aged 0 to 15 years	All
11	Number of dependents aged 0 to 24 years	All
12	Labour force status	All
13	Status of employment in main job	All
14	Whether held more than one job	All
15	Number of jobs or businesses held last week (held concurrently)	All
16	Main reason for absence from work	All
17	Hours actually worked in main job	All
18	Hours actually worked in all jobs	All
19	Hours usually worked in main job	All
20	Hours usually worked in all jobs	All
21	Full-time or part-time status in all jobs	All
22	Full-time or part-time status in main job	All
23	Underemployment status	All
24	Reason worked less hours than usually worked	All
25	Preferred total number of weekly hours	6
26	Preferred number of extra weekly hours	6
27	Whether available to start work within the reference week with more hours	All
28	Whether prefer and available within the next 4 weeks for more full-time or part-time hours	All
29	Continuous duration with current employer/business	All
30	Expected future duration with current employer/business	All
31	Reason expected future duration with current employer/business less than 12 months	All
32	Sector of main job	All
33	Occupation of main job	All
34	Industry of main job	All
35	Whether entitled to paid holiday leave	2
36	Whether entitled to paid sick leave	2
37	Whether had paid leave entitlements	2
38	Whether retrenched from any job in the previous 3 months	All
39	Weekly earnings in main job	All
40	Weekly earnings in second job	12–13
41	Weekly earnings in all jobs	All
42	Hours paid for in main job	All
43	Hours paid for in second job	12–13
44	Hourly earnings in main job	All
45	Hourly earnings in second job	12–13
46	Frequency of pay in main job	All
47	Whether employment had a set completion date/event in main job	2
48	Time until set employment completion date/event in main job	2
49	Length of fixed term contract in main job	2
50	Trade union membership	All
51	Duration (length) of current trade union membership	All
52	Previous trade union membership	All
53	Whether had more than one active contract in reference week	9
54	Whether usually able to work on more than one active contract	9
55	Whether able to (sub)contract own work	9

56	Whether had authority over own working procedures	9
57	Whether currently registered with a labour hire firm/employment agency	All
58	Whether registered with a labour hire firm/employment agency in the last 12 months	All
59	Whether found job through a labour hire firm/employment agency	10
60	Whether paid by a labour hire firm/employment agency	10
61	Whether earnings/income varied from one pay period to the next in main job	All
62	Whether guaranteed a minimum number of hours each week	1–4, 6–13
63	Whether usually works the same number of hours each week in main job	All
64	Whether considered job to be casual in main job	2
65	Whether considered to be an independent contractor	All
66	Status in employment of second job	11–13

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## Status of employment and population concordance (Appendix)

### APPENDIX STATUS OF EMPLOYMENT

#### STATUS OF EMPLOYMENT AND POPULATION CONCORDANCE

Previously in labour statistics two main employment classifications were used: Status of employment and Employment type. The Labour Force Survey (LFS) used the Status of employment classification for its standard output, while the labour supplementary surveys (and other social surveys) predominantly used the Employment type classification. Status of employment was necessary in the context of national accounting and the measurement of income, as 'compensation of employees' (the largest component of gross domestic product) is based on the System of National Accounts definition of 'employee'. However, it did not provide the most useful representation for analysis of the labour market.

The Employment type classification was considered preferable for most labour market analysis. Unlike Status of employment, Employment type aimed to capture the fundamental nature of employment, that was, whether a person worked for an employer or operated their own business, regardless of the legal status of that business. This meant that in the Status of employment classification, people who operated their own incorporated enterprise (owner managers of incorporate enterprises (OMIEs)) were included in the Employees category, whereas in Employment type, this group was identified separately.

To overcome the complexities, and potential misinterpretation or comparison of data, the ABS has revised the Status of employment classification so that it provides a single labour market relevant classification that can meet all uses. This was achieved by removing OMIEs from the Employees category and having them separately identified. As a result, the Employment type classification is no longer required.

While the Status of employment classification is different, there will effectively be no break in LFS or supplementary survey series as the categories will be conceptually consistent and able to be aggregated or disaggregated to match the previous version of the Status of Employment classification and the Employment type classification. For more information, see Information Paper: Outcomes of the Labour Households Surveys Content Review, Australia, 2012 (cat. no. 6107.0) (page 2).

The following table shows the changes to Status of employment and Employment type:

Pre July 2014	
<b>Status of employment</b>	<b>Employment type equivalent</b>
Employees	= Employees + Owner managers of incorporated enterprises (OMIEs)
Own account workers	= Owner managers of unincorporated enterprises (OMUEs) without employees
Owner managers	= Owner managers of unincorporated enterprises (OMUEs) with employees
Contributing family workers	= Contributing family workers
<b>Employment type</b>	
Employees (excluding OMIEs)	
With paid leave entitlements	
Without paid leave entitlements	
Owner managers of incorporated enterprises (OMIEs)	
With employees	
Without employees	
Owner managers of unincorporated enterprises (OMUEs)	
With employees	
Without employees	
Contributing family workers	
Post June 2014	
<b>Status of employment</b>	
Employees	
With paid leave entitlements	
Without paid leave entitlements	
Owner managers of incorporated enterprises (OMIEs)	
With employees	
Without employees	
Owner managers of unincorporated enterprises (OMUEs)	
With employees	
Without employees	
Contributing family workers	
<b>Employment Type</b>	
No longer applicable	

### POPULATION CONCORDANCE WITH PREVIOUS SURVEYS

This release combines the key elements from the Employee Earnings, Benefits and Trade Union Membership survey (EEBTUM), Forms of Employment survey (FOE) and Working Time Arrangements survey (WTA) to provide a comprehensive and coherent dataset on characteristics of people's employment.

Caution should be exercised when comparing the estimates from this release with previous surveys as some population groups are conceptually different.

The following table provides a concordance of populations groups used in this release with population groups from previous surveys:

Population Concordance				
Populations	COE 2014	FOE 2011/13	EEBTUM 2013	WTA 2012
Employed Persons	Population 1	Population 1 (a)	...	...
Employees in main job	Population 2	...	Population 7	Population 2
Employees and Owner Managers of Incorporated Enterprises (OMIEs) in main job	Population 3	...	Population 1	Population 1
Owner Managers of Incorporated Enterprises (OMIEs) in main job	Population 4	...	Population 8	...
Owner Managers of Unincorporated Enterprises (OMUEs) in main job	Population 5	...	...	...
Employed persons who preferred to work more hours than usually worked	Population 6	...	...	...
Trade union members in their main job	Population 7 (c)	...	Population 5	...
Trade union members	Population 8 (c)	...	Population 6	...
Independent contractors	Population 9	Population 5 (a)	...	...
Persons who found their job through a labour hire firm/employment agency	Population 10	Population 7 (b)	...	...
Multiple job holders	Population 11	...	...	Population 4
Employees in second job	Population 12	...	...	...
Employees and Owner Managers of Incorporated Enterprises (OMIEs) in second job	Population 13	...	...	...
Employees	...	Population 2 (a)	...	...
Employees with paid leave entitlements	...	Population 3 (a)	...	...
Employees without paid leave entitlements	...	Population 4 (a)	...	...
Other business operators	...	Population 6 (a)	...	...
Full-time employees in main job	...	...	Population 2	...
Employees in main job who were full-time workers	...	...	Population 3	...
Employees who worked as an employee in their second job in the reference week	...	...	Population 4	...
Employees in main job who were part-time workers	...	...	Population 9	...
Employees who were single job holders	...	...	...	Population 3

(a) FOE 2013

(b) FOE 2011

(c) From 2014 this population group includes OMUEs

## Quality Declaration - Summary

### QUALITY DECLARATION - SUMMARY

#### INSTITUTIONAL ENVIRONMENT

For information on the institutional environment of the Australian Bureau of Statistics (ABS), including the legislative obligations of the ABS, financing and governance arrangements, and mechanisms for scrutiny of ABS operations, please see ABS Institutional Environment.

#### RELEVANCE

The Survey of Characteristics of Employment (COE) presents information about the distribution of weekly earnings in main job and all jobs, employment arrangements, independent contracting, fixed-term employment, trade union membership, labour hire, and working arrangements. The collection of a range of socio-demographic and labour force characteristics makes the datasets produced from the survey extremely valuable for comparing and analysing the distribution of both weekly earnings and employment benefits across different population groups. Data are used in the development and review of wages and labour market policies, and in wage negotiation processes. The survey is the only reliable source of data on the distribution of trade union members by socio-demographic and labour force characteristics.

This release combines the key elements from the previous separate Employee Earnings, Benefits and Trade Union Membership survey (EEBTUM), Forms of Employment survey (FOE) and Working Time Arrangements survey (WTA) to provide a comprehensive and coherent dataset on characteristics of people's employment.

#### TIMELINESS

The Characteristics of Employment survey is conducted annually in August as a supplement to the Australian Bureau of Statistics (ABS) monthly Labour Force Survey (LFS). Results from this survey are released in the publication Characteristics of Employment, Australia (cat. no. 6333.0).

#### ACCURACY

Estimates from the Characteristics of Employment Survey are subject to sampling and non-sampling errors. Relative standard error (RSE) is a measure of the size of the sampling error affecting an estimate, i.e. the error introduced by basing estimates on a sample of the population rather than the full population. Non-sampling errors are inaccuracies that occur due to imperfections in reporting by respondents and interviewers, and errors made in coding and processing data.

This publication was designed primarily to provide estimates at the Australia level. Broad estimates are available for state/territory and/or capital city/balance of state, though users should exercise caution when using estimates at this level because of the presence of high sampling errors. Relative Standard Errors for all estimates are available in the relevant Data Cube. More information on Standard Errors is available in the Technical Note of this release.

To minimise the risk of identifying individuals in aggregate statistics, a technique is used in this release to randomly adjust cell values. This technique is called perturbation. Perturbation involves small random adjustment of the statistics and is considered the most satisfactory technique for avoiding the release of identifiable statistics while maximising the range of information that can be released. These adjustments have a negligible impact on the underlying pattern of the statistics. After perturbation, a given published cell value will be consistent across all tables. However, adding up cell values to derive a total will not necessarily give the same result as published totals.

## COHERENCE

This release combines the key elements from the Employee Earnings, Benefits and Trade Union Membership survey (EEBTUM), Forms of Employment survey (FOE) and Working Time Arrangements survey (WTA) to provide a comprehensive and coherent dataset on characteristics of people's employment.

Caution should be exercised when comparing the estimates from this release with previous surveys as some data items have changed and population groups are conceptually different.

Caution should be exercised when comparing results from the 2014 COE to previous FOE (2008–2013) and EEBTUM as the population Employees in this release is not directly comparable to the Employees population in both FOE and EEBTUM.

From August 2014, information on trade union membership was collected from all employed persons. In previous years, information on trade union membership was collected of only employees and OMIES. See Appendix: Status of employment and population concordance for more information.

## INTERPRETABILITY

The Characteristics of Employment release contains Data Cubes with footnoted data to aid interpretation of the results of the survey. Detailed Explanatory Notes, a Technical Note and a Glossary are also included providing information on the terminology, classifications and other technical aspects associated with these statistics.

Further commentary is often available through articles and data published in other ABS products, including:

- Australian Labour Market Statistics (cat. no. 6105.0).
- Year Book Australia (cat. no. 1301.0) - refer to the 'Labour' chapter.
- Concepts, Sources and Methods (cat. no. 6102.0.55.001)

## ACCESSIBILITY

Characteristics of Employment, Australia (cat. no. 6333.0) is released electronically via the ABS website as Data Cubes in spreadsheet format. Additional data may be available on request (subject to data quality). Note that detailed data can be subject to high relative standard errors. Full details of data items for this survey are available from the Downloads tabs in Data Cube: **COE 2014 Populations and Data items list**.

For further information about these or related statistics, contact the National Information and Referral Centre on 1300 135 070 or contact Labour Force and Supplementary Survey Section on Canberra (02) 6252 7206.

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# Quality Declaration - Relevance

## QUALITY DECLARATION - RELEVANCE

### EMPLOYED PERSONS

People aged 15 years and over who, during the reference week:

- worked for one hour or more for pay, profit, commission or payment in kind, in a job or business or on a farm (comprising employees, employers and own account workers); or
- worked for one hour or more without pay in a family business or on a farm (i.e. contributing family workers); or
- were employees who had a job but were not at work and were:
  - away from work for less than four weeks up to the end of the reference week;
  - away from work for more than four weeks up to the end of the reference week and received pay for some or all of the four week period to the end of the reference week;
  - away from work as a standard work or shift arrangement;
  - on strike or locked out;
  - on workers' compensation and expected to return to their job; or
- were employers or own account workers who had a job, business or farm, but were not at work.

Contributing family workers in their main job were excluded from the Characteristics of Employment Survey.



## EMPLOYEES

From August 2014, the Characteristics of Employment (COE) Survey definition of employees differs from the definition used in surveys prior to July 2014 including, the Labour Force Survey, other household surveys (including earlier Forms of Employment, Employee Earnings, Benefits and Trade Union Membership and Working Time Arrangements surveys).

Employees are persons who:

- worked for a public or private employer; and
- received remuneration in wages or salary; or are paid a retainer fee by their employer and worked on a commission basis, for tips, piece-rates or payment in kind.

## OWNER MANAGERS OF INCORPORATED ENTERPRISES (OMIEs)

People who work in their own incorporated enterprise, that is, a business entity which is registered as a separate legal entity to its members or owners (may also be known as a limited liability company). An owner manager of an incorporated enterprise may or may not hire one or more employees in addition to themselves and/or other owners of that business.

## OWNER MANAGERS OF UNINCORPORATED ENTERPRISES (OMUEs)

A person who operates his or her own unincorporated enterprise or engages independently in a profession or trade. An owner manager of an unincorporated enterprise may or may not hire one or more employees in addition to themselves and/or other owners of that business.

## INDEPENDENT CONTRACTORS

Independent contractors are people who operate their own business and who contract to perform services for others without having the legal status of an employee, i.e. people who are engaged by a client, rather than an employer. Independent contractors are engaged under a contract for services (a commercial contract), whereas employees are engaged under a contract of service (an employment contract). Independent contractors' employment may take a variety of forms, for example, they may have a direct relationship with a client or work through an intermediary. Independent contractors may have employees, however they spend most of their time directly engaged with clients or on client tasks, rather than managing their staff.

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## Quality Declaration - Coherence

### QUALITY DECLARATION - COHERENCE

The Characteristics of Employment survey combines the key elements from the Employee Earnings, Benefits and Trade Union Membership survey (EEBTUM), Forms of Employment survey (FOE) and Working Time Arrangements survey (WTA) to provide a comprehensive and coherent dataset on characteristics of people's employment.

For information on the comparability of time series for the publication Employee Earnings, Benefits and Trade Union Membership, Australia (cat. no. 6310.0), see the Explanatory Notes.

For information on the comparability of time series for the publication Forms of Employment, Australia (cat. no. 6359.0), see the Explanatory Notes.

For information on the comparability of time series for the publication Working Time Arrangements, Australia (cat. no. 6342.0), see the Explanatory Notes.

## Data Cubes (I-Note) - Data Cubes

Datacube 37: Independent contractors: Industry of main job-By selected characteristics of independent contracting-By Sex - Labelling corrected for 'whether had authority over own working procedures', and, 'whether had more than one active contract in the reference week'.

## Data Cubes (I-Note) - Data Cubes

Datacube 38: Independent contractors: Occupation of main job-By selected characteristics of independent contracting-By Sex - Labelling corrected for 'whether had authority over own working procedures', and, 'whether had more than one active contract in the reference week'.

## Data Quality (Technical Note)

### TECHNICAL NOTE DATA QUALITY

## INTRODUCTION

1 Since the estimates in this publication are based on information obtained from occupants of a sample of dwellings, they are subject to sampling variability. That is, they may differ from those estimates that would have been produced if all dwellings had been included in the survey. One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of dwellings was included. There are about two chances in three (67%) that a sample estimate will differ by less than one SE from the number that would have been obtained if all dwellings had been included, and about 19 chances in 20 (95%) that the difference will be less than two SEs.

2 Another measure of the likely difference is the relative standard error (RSE), which is obtained by expressing the SE as a percentage of the estimate.

$$\text{RSE}\% = (\text{SE}/\text{estimate}) \times 100$$

3 RSEs for Character of Employment estimates have been calculated using the Jackknife method of variance estimation. This process involves the calculation of 30 'replicate' estimates based on 30 different sub-samples of the original sample. The variability of estimates obtained from these sub-samples is used to estimate the sample variability surrounding the main estimate.

4 The Excel spreadsheets in the Downloads tab contain all the tables produced for this release and the calculated RSEs for each of the estimates. The RSEs for estimates other than medians have been calculated using the Jackknife method, and RSEs for the medians have been calculated using the Woodruff method.

5 In the tables in this publication, only estimates (numbers, percentages, means and medians) with RSEs less than 25% are considered sufficiently reliable for most purposes. However, estimates with larger RSEs have been included. Estimates with an RSE in the range 25% to 50% should be used with caution while estimates with RSEs greater than 50% are considered too unreliable for general use. All cells in the Excel spreadsheets with RSEs greater than 25% contain a comment indicating the size of the RSE. These cells can be identified by a red indicator in the corner of the cell. The comment appears when the mouse pointer hovers over the cell.

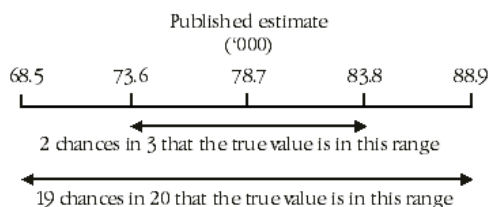
## CALCULATION OF STANDARD ERROR

6 RSEs are routinely presented as the measure of sampling error in this publication and related products. SEs can be calculated using the estimates (counts or means) and the corresponding RSEs.

7 An example of the calculation of the SE from an RSE follows. **Datacube 1** shows that the estimated number of males aged 55–59 years who were employed part-time was 78,700 in August 2014, and the RSE for this estimate was 6.5%. The SE is:

$$\begin{aligned} \text{SE of estimate} &= (\text{RSE} / 100) \times \text{estimate} \\ &= 0.065 \times 78,700 \\ &= 5,100 \text{ (rounded to the nearest 100)} \end{aligned}$$

8 Therefore, there are about two chances in three that the value that would have been produced if all dwellings had been included in the survey would fall within the range 73,600 to 83,800 and about 19 chances in 20 that the value would fall within the range 68,500 to 88,900. This example is illustrated in the following diagram.



## PROPORTIONS AND PERCENTAGES

9 Proportions and percentages formed from the ratio of two estimates are also subject to sampling errors. The size of the error depends on the accuracy of both the numerator and the denominator. A formula to approximate the RSEs of proportions not provided in the spreadsheets is given below. This formula is only valid when x is a subset of y.

$$\text{RSE}\left(\frac{x}{y}\right) = \sqrt{[\text{RSE}(x)]^2 - [\text{RSE}(y)]^2}$$

10 Considering the **Data Cube 1**, of the 1,492,000 males aged 25–34 years who were employed, 1,301,500 or 87.2% who were full-time workers. The RSE of 1,301,500 is 1.1% and the RSE for 1,492,000 is 0.8%. Applying the above formula, the RSE for the proportion of males aged 25–34 years who were full-time workers:

$$\text{RSE} = \sqrt{(1.1)^2 - (0.8)^2} = 0.8\%$$

11 Therefore, the SE for the proportion of males aged 25–34 years who were full-time workers was 0.7 percentage points (= (87.2/100) x 0.8). Therefore, there are about two chances in three that the proportion of males aged 25–34 years who were full-time workers is between 86.5% and 87.9%, and 19 chances in 20 that the proportion was within the range 85.8% to 88.6%.

## SUMS OR DIFFERENCES BETWEEN ESTIMATES

12 Published estimates may also be used to calculate the sum of two or more estimates, or the difference between two survey estimates (of numbers, means or percentages) where these are not provided in the spreadsheets. Such estimates are also subject to sampling error.

13 The sampling error of the difference between two estimates depends on their SEs and the relationship (correlation) between them. An

approximate SE of the difference between two estimates (x–y) may be calculated by the following formula:

$$SE(x-y) = \sqrt{[SE(x)]^2 + [SE(y)]^2}$$

**14** The sampling error of the sum of two estimates is calculated in a similar way. An approximate SE of the sum of two estimates (x+y) may be calculated by the following formula:

$$SE(x+y) = \sqrt{[SE(x)]^2 + [SE(y)]^2}$$

**15** Considering the example in paragraph 7, the estimated number of males aged 55–59 years who were employed part-time was 78,700, and the SE for this estimate was 5,100. From the **Data Cube 1**, the estimate of males aged 60–64 years who were employed part-time was 84,700 and the SE was 5,300. The estimate of males aged 55–64 years who were employed part-time is:

$$78,700 + 84,700 = 163,400$$

**16** The SE of the estimate of males aged 55–64 years who were employed part-time is:

$$SE = \sqrt{(5,100)^2 + (5,300)^2} = 7,400$$

**17** Therefore, there are about two chances in three that the value that would have been produced if all dwellings had been included in the survey would fall within the range 156,000 to 170,800 and about 19 chances in 20 that the value would fall within the range 148,600 to 178,200.

**18** While these formulae will only be exact for sums of, or differences between, separate and uncorrelated characteristics or subpopulations, it is expected to provide a good approximation for all sums or differences likely to be of interest in this publication.

## STANDARD ERRORS OF MEANS AND SUMS

**19** The estimates of means and sums of continuous variables are subject to sampling variability and random adjustment. As for population estimates, the variability due to sampling and random adjustment is combined into the calculated Standard Error, and the Relative Standard Error is reported. The component of variability arising from sampling is calculated using the Jackknife method.

## STANDARD ERRORS OF QUANTILES

**20** The estimates of quantiles such as medians, quartiles, quintiles and deciles are subject to sampling variability and random adjustment. As for population estimates, the variability due to sampling and random adjustment is combined into the calculated Standard Error, and the Relative Standard Error is reported. The component of variability arising from sampling is calculated using the Woodruff method. This is also true for Equal Distribution Quantiles.

## SELECTED ESTIMATES AND RSES

The following table shows how the RSEs are displayed for selected estimates in the datacubes.

**T1 – Independent contractors, Age group years and state or territory of usual residence – By sex**

		Sex of person		
		Males	Females	Persons
Weighted Count				
Age group (years)				
15–19	'000	*6.0	**1.9	*8.4
20–24	'000	32.2	*8.2	40.3
25–34	'000	132.0	41.1	172.5
35–44	'000	164.4	68.9	233.8
45–54	'000	192.5	73.3	264.0
54–59	'000	87.4	28.1	113.3
60–64	'000	63.2	21.1	83.8
65 and over	'000	62.1	22.9	84.2
State or territory of usual residence				
New South Wales	'000	223.3	71.3	293.4
Victoria	'000	183.2	76.2	257.7
Queensland	'000	165.4	62.4	228.4
South Australia	'000	47.9	13.6	62.9
Western Australia	'000	88.3	33.2	120.6
Tasmania	'000	13.4	5.0	17.4
Northern Territory	'000	6.3	1.9	8.1
Australian Capital Territory	'000	9.8	3.5	12.9
<b>Total</b>	<b>'000</b>	<b>735.8</b>	<b>265.2</b>	<b>1000.9</b>
Relative Standard Error of weighted count				
Age group (years)				
15–19	RSE %	33.5	70.3	29.3
20–24	RSE %	15.1	27.3	12.4
25–34	RSE %	6.8	13.1	6.1
35–44	RSE %	4.7	7.9	3.8
45–54	RSE %	4.6	8.1	4.6
54–59	RSE %	8.1	12.8	6.6
60–64	RSE %	7.3	14.6	7.0
65 and over	RSE %	9.5	13.3	8.4
State or territory of usual residence				
New South Wales	RSE %	5.0	8.2	4.5
Victoria	RSE %	5.8	8.3	5.4
Queensland	RSE %	6.3	8.6	5.5
South Australia	RSE %	6.8	15.4	6.5
Western Australia	RSE %	7.8	11.3	7.5
Tasmania	RSE %	8.9	18.9	8.9
Northern Territory	RSE %	15.4	22.3	12.6
Australian Capital Territory	RSE %	14.9	24.3	13.1
<b>Total</b>	<b>RSE %</b>	<b>2.4</b>	<b>4.5</b>	<b>2.2</b>

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\* estimate has a relative standard error of 25% to 50% and should be used with caution  
\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

## SIGNIFICANCE TESTING

**21** A statistical test for any comparisons between estimates can be performed to determine whether it is likely that there is a significant difference between two corresponding population characteristics. The standard error of the difference between two corresponding estimates (x and y) can be calculated using the formula in paragraph 9. This standard error is then used to calculate the following test statistic:

$$\left( \frac{x-y}{SE(x-y)} \right)$$

**22** If the value of this test statistic is greater than 1.96 then there is evidence, with a 95% level of confidence, of a statistically significant difference in the two populations with respect to that characteristic. Otherwise, it cannot be stated with confidence that there is a difference between the populations with respect to that characteristic.

**23** The imprecision due to sampling variability, which is measured by the SE, should not be confused with inaccuracies that may occur because of imperfections in reporting by respondents and recording by interviewers, and errors made in coding and processing data. Inaccuracies of this kind are referred to as non-sampling error, and they occur in any enumeration, whether it be a full count or sample. Every effort is made to reduce non-sampling error to a minimum by careful design of questionnaires, intensive training and supervision of interviewers, and efficient operating procedures.

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